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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD,

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

**STIPULATION REGARDING
DEBTOR'S RETENTION AND
EMPLOYMENT OF PROVINCE, LLC
AS FINANCIAL ADVISOR, EFFECTIVE
AS OF THE PETITION DATE**

Debtor and debtor-in-possession Cash Cloud, Inc., d/b/a Coin Cloud ("Debtor"), the Office of the United States Trustee for Region 17 ("UST"), Official Unsecured Creditors' Committee of Cash Cloud, Inc., d/b/a Coin Cloud ("UCC"), and Province, LLC ("Province" and collectively the "Parties"), hereby stipulate and agree as follows:

RECITALS

A. On or about February 7, 2023, Debtor filed its *Emergency Application for Order Authorizing Retention and Employment of Province LLC as Debtor's Financial Advisor, Effective as of the Petition Date* [ECF No. 15] (the "Province Retention Application").

B. On or about February 13, 2023, the UST filed its *Omnibus Opposition and Reservation of Rights to Debtor's Emergency First Day Applications for Order Authorizing the Retention and*

1 *Employment of Fox Rothschild LLP as Debtor's General Bankruptcy Counsel and Province, LLC as*
 2 *Debtor's Financial Advisor, Effective as of the Petition Date* [ECF No. 76] (the "UST Opposition").

3 C. On or about February 14, 2023, Province submitted a *Supplemental Verified Statement*
 4 *of Paul Huygens* [ECF No. 86] in support of the Province Retention Application to address some of
 5 the concerns raised by the UST Opposition.

6 D. On or about February 13, 2023, *Debtor's Omnibus Reply To United States Trustee's*
 7 *Omnibus Opposition and Reservation of Rights to Debtor's Emergency First Day Applications for*
 8 *Order Authorizing the Retention and Employment of Fox Rothschild LLP As Debtor's General*
 9 *Bankruptcy Counsel and Province, LLC as Debtor's Financial Advisor, Effective as of the Petition*
 10 *Date* [ECF NO. 76] was filed in support of, among other issues, the Province Retention Application.

11 E. On or about February 16, 2023, the court held first day motion hearings, and following
 12 a hearing on the Province Retention Application, such was granted on an interim basis as
 13 memorialized in this court's *Order Authorizing Retention and Employment of Province, LLC as*
 14 *Financial Advisors As of the Petition Date* [ECF No. 16] (the "Interim Order").

15 F. Pursuant to the Interim Order, any opposition to the granting of final relief of the
 16 Province Retention Application was due to be filed and served no later than February 28, 2023,
 17 whereupon a final hearing would be held by the Court relative to the Province Retention Application.

18 G. In discussions with the UCC and the Parties hereto relative to such final relief, the
 19 Parties expressed concerns regarding the calculation and payment of a Restructuring Fee, as such
 20 term is used in the Province Application and the Interim Order.

21 H. On the subject of a Restructuring Fee, the Province Application and Interim Order
 22 state that ...

23 Debtor is authorized to pay Province a fee (the "Restructuring
 24 Fee") of three percent (3%) of the value of all debt and equity
 25 financing of the Debtor as of the effective date of a confirmed plan
 26 of reorganization (excluding any amounts loaned by a "Company
 27 Lender" (as defined in the Engagement Letter)) (the "Exit
 28 Financing"); provided, however, should all or any portion of such
 Exit Financing be provided by a Province Lender ("Province
Lender Exit Financing"), then for such Province Lender Exit
 Financing, whether through exit equity or debt financing, the
 Company shall pay Province a fee in the amount of one and one

half percent (1.5%) of such Province Lender Exit Financing, with any other Exit Financing generating a three percent (3%) fee as otherwise indicated above.

I. The Parties have concerns regarding the foregoing definition of a Restructuring Fee and whether any Restructuring Fee would become due upon the consummation of any 11 U.S.C. § 363 sale of the assets of the Debtor.

J. Moreover, the Parties expressed concern that any Restructuring Fee that does not include any incentivization of a 11 U.S.C. § 363 asset sale could be detrimental to the estate by incentivizing a plan of reorganization over that of an asset sale.

K. Given the lack of clarity as to whether a Restructuring Fee is earned upon the consummation of any Section 363 asset sale and the Parties' concerns that the estate may not be benefitted by incentivizing reorganization over an asset sale, the Parties agree to resolve any lack of clarity regarding the Restructuring Fee and its calculation as stipulated herein.

STIPULATION

WHEREFORE, based on the foregoing Recitals, which are incorporated herein by reference, the Parties stipulate and agree, despite anything contained in the Province Retention Application or the papers filed in support thereof to the contrary, as follows:

1. Pursuant to 11 U.S.C. § 328, Debtor is authorized to pay Province a fee (the "Restructuring Fee") of three percent (3%) of the value of all debt and equity financing of the Debtor as of the effective date of a confirmed plan of reorganization (excluding any amounts loaned by a "Company Lender" (as defined in the Engagement Letter)) (the "Exit Financing"); *provided, however*, should all or any portion of such Exit Financing be provided by a Province Lender, ("Province Lender Exit Financing") then for such Province Lender Exit Financing, whether through exit equity or debt financing, the Company shall pay Province a fee, in United States Dollars, in the amount of one and one half percent (1.5%) of such Province Lender Exit Financing, with any other Exit Financing generating a three percent (3%) fee as otherwise indicated above. As used herein, "Province Lender" shall mean any lender or financier procured by Province that is not otherwise a Company Lender.

2. Additionally, pursuant to 11 U.S.C § 328, Debtor is authorized to pay Province a fee (also, a “Restructuring Fee”) of three percent (3%) of any sales proceeds resulting from any 11 U.S.C. § 363 sale authorized by the court that are in excess of, in addition to, or otherwise not constituting any proceeds that are credit bid by any secured lender of the Debtor on any liquidated claim.

3. Despite the foregoing percentage calculations, all Restructuring Fees stated herein shall be capped in the aggregate amount of \$500,000 (USD).

4. With the above clarification, the definition of a Restructuring Fee may have arguably expanded, and as an accommodation relative thereto, the Parties agree that Province shall no longer be entitled to any Arranger Fee as addressed in the Province Retention Application or the Interim Order.

Dated this 10th day of May 2023.

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